## Congress of the United States Washington, DC 20515

## April 4, 2017

The Honorable John Culberson, Chair Subcommittee on Commerce, Justice, Science, and Related Agencies House Committee on Appropriations H-310, The Capitol Washington, D.C. 20515

The Honorable José Serrano, Ranking Member Subcommittee on Commerce, Justice, Science, and Related Agencies House Committee on Appropriations 1016 Longworth House Office Building Washington, DC 20515

Dear Chairman Culberson, and Ranking Member Serrano:

We write to request that as you negotiate and finalize legislation to fund the government for the FY18 budget cycle that you would continue to fund the Minority Business Development Agency (MBDA) at the FY17 level. While other federal agencies focus on broader demographic and emerging businesses, MBDA focuses exclusively on the unique needs of minority-owned businesses and middle stage businesses.

The Minority Business Development Agency (MBDA) was established by President Richard Nixon through Executive Order 11458 in 1969. The agency is a part of the Department of Commerce and is the premier federal agency dedicated to supporting the expansion of minority-owned business enterprises. This year President Trump's FY 2018 budget blueprint recommended the elimination of the federal agency. MBDA is the only federal agency whose mission is to specifically advance the growth of minority-owned businesses across the nation. These businesses support \$1 trillion in economic growth to the \$16 trillion U.S. economy.

As one of the fastest growing business sectors in the United States, the economic impact of minority-owned firms continues to strengthen the American business landscape of the 21<sup>st</sup> century. MBDA's national network of 42 business centers has helped minority-owned business enterprises gain access to capital, contracts, and new markets through public-private engagement. Each center provides businesses with services to assist them to grow in size and scale. Activities are not in duplication of any Small Business Administration program, and include bid proposal support, pricing, commercializing technology, pitching to investors, merging and acquiring firms, and in securing investment. MBDA has assisted clients in accessing nearly \$36 billion in contracts and capital, while helping them create and retain over 124,000 jobs. Furthermore, minority-owned businesses are twice as likely to generate sales through exports compared to non-minority-owned firms due to language and cultural ties to foreign markets. MBDA promotes business-to-business partnerships between U.S. minority-owned firms and firms in Asia, Africa, the Caribbean, Latin America and Europe.

As diversity continues to spearhead a new chapter in our nation's economic growth, MBDA is supporting the next generation of minority-owned businesses by increasing the capacity of regional economies. According to the U.S. Census Bureau's 2007 Survey of Business Owners, these minority business enterprise firms contributed \$1 trillion in total economic output and employed nearly 6 million Americans. These findings highlight that the economic contribution of these firms has a significant impact on the national economy, and more recent Census reports demonstrate that this impact is continuing to grow. However, there are still challenges that minority-owned businesses disproportionally face compared to other businesses. These obstacles include barriers to accessing capital, contracts, and export markets. There is also an impediment in not having existing informal networks that businesses traditionally rely on in the pursuit of business opportunities.

MBDA helps firms to realize their full economic potential through technical assistance, public and private contracting opportunities, advocacy, research and education, and by serving as a strategic partner for growth and development. MBDA is the only federal agency dedicated to the growth and global competitiveness of our nation's 8.5 million minority-owned businesses.

Given the economic challenges that minority-owned businesses face and the income and wealth gap between minority and non-minority communities, it is important that we fund MBDA to support these firms with overcoming some of the obstacles that they disproportionately encounter.

Thank you for your commitment to ensuring that minority-owned businesses are able to maximize their potential, and for your consideration of this request.

Sincerely,

Don Young

Jember of Congres

Member of Congress

G.K. Butterfield Member of Congress

## Signatories to the MBDA Programmatic Letter Cont.

Rep. Lucille Roybal-Allard

Rep. Karen Bass

Rep. Madeleine Bordallo

Rep. Anthony G. Brown

Rep. Salud Carbajal

Rep. Tony Cárdenas

Rep. André Carson

Rep. Judy Chu

Rep. Yvette D. Clarke

Rep. WM. Lacy Clay

Rep. Steve Cohen

Rep. Bonnie Watson Coleman

Rep. John Conyers

Rep. Jim Costa

Rep. Elijah Cummings

Rep. Danny K. Davis

Rep. Susan A. Davis

Rep. Diana DeGette

Rep. Val B. Demings

Rep. Mark DeSaulnier

Rep. Mike Doyle

Rep. Keith Ellison

Rep. Eliot L. Engel

Rep. Anna G. Eshoo

Rep. Adriano Espaillat

Rep. Dwight Evans

Rep. Marcia L. Fudge

Rep. Ruben Gallego

Rep. Jennifer González-Colón

Rep. Al Green

Rep. Raúl M. Grijalva

Rep. Michelle Lujan Grisham

Rep. Colleen Hanabusa

Rep. Alcee L. Hastings

Rep. Eddie Bernice Johnson

Rep. Hakeem Jeffries

Rep. Hank Johnson

Rep. Robin Kelly

Rep. Ruben Kihuen

Rep. Al Lawson

Rep. Barbara Lee

Rep. John Lewis

Rep. Zoe Lofgren

Rep. Donald A. McEachin

Rep. Gregory Meeks

Rep. Eleanor Holmes Norton

Rep. Frank Pallone Jr.

Rep. Donald M. Payne Jr.

Rep. Scott Peters

Rep. Stacey Plaskett

Rep. Jamie Raskin

Rep. Cedric L. Richmond

Rep. Bobby L. Rush

Rep. Linda T. Sánchez

Rep. Jan Schakowsky

Rep. Robert C. "Bobby" Scott

Rep. David Scott

Rep. Terri A. Sewell

Rep. Kyrsten Sinema

Rep. Adam Smith

Rep. Bennie Thompson

Rep. Norma J. Torres

Rep. Juan C. Vargas

Rep. Marc Veasey

Rep. Nydia Velázguez

Rep. Maxine Waters

Rep. Frederica S. Wilson

Rep. Joyce Beatty

Rep. J. Luis Correa